

# Odoo v8 AvaTax Module User Guide

By  
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# Initial Setup & AvaTax Configuration

## Overview

The purchase of AvaTax ERP connector software provides your organization with access to the AvaTax Calc service, including sales tax calculation for all US states and territories and all Canadian provinces and territories (including GST, PST and HST). The module is capable of automatically detecting origin (Output Warehouse) and destination (Client Address) then calculates and reports taxes to the Avalara as well as a recording the correct sales taxes for the validated addresses in your ERP!

This module utilizes core certified modules from Odoo as dependencies as will attempt to automatically (as Odoo modules typically do). The following dependencies will be installed: **base**, **sale**, **account**, **account\_accountant**, and **stock** modules. This module also has demo configuration data to work with demo deployments as well. Once configured the module operates in the background and performs calculations and reporting to AvaTax server seamlessly. Avalara will give you access to the Avatax server dashboard when you call to get your test account or subscribe.

This guide includes instructions for the following elements:

- » Activating your organization's AvaTax account and downloading the product
- » Entering your AvaTax credentials into your ERP Configuring your ERP to use the AvaTax Calc service Using AvaTax features within your ERP

- **Note: It is recommended that you test the module before deploying in a production environment!**
- \* **Note: All changes to AvaTax settings must be done by a user with administrative privileges.**

## Installation

Download available on the Kranbery website as well as in the Odoo app store, github, or bazar. The module is also built with demo data so it's readily available to work on a demo deployment. Remember to contact Avalara to setup a demo or live account: <http://avalara.com>

Download the AvaTax Module: <http://kranbery.com/avatax>

Extract the downloaded file

Upload the extracted directory your configured Odoo modules directory

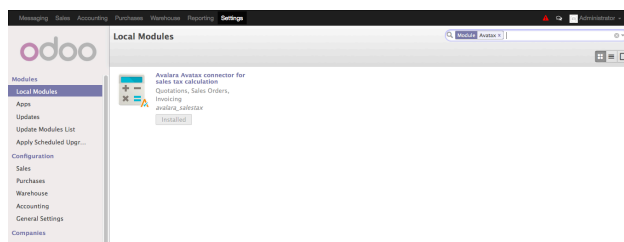
Click “**Install**” or “**Upgrade**” button

Restart Odoo service

Login as Administrator

Navigate to: **Setup > Installed Modules > Search for AvaTax**

Click “**Install**” button



## Configure AvaTax API

Navigate to: **Accounting > Configuration > AvaTax > AvaTax API**

Click “**Create**” button

Fill out the form with Company Code, Account Number and License Key provided to you by Avalara

Fill out the proper service URL provided to you by Avalara

\* You may have two service URLs: One for development/testing server and another for production transactions.

Click “Test Connection” button

Click “Save” button

You can further configure the module on this screen.

Other configuration options are:

### Adapter

- » Request Timeout - *Default is 300ms*
- » Enable Logging

### Address Validation

- » Attempt automatic address validation – *Will perform automatic validation when performing tax computation. The other validation options (below) are not required and will be deselected but available.*
- » Validate on save for customer profile – *Automatically attempts to validate on creation of customer profile update and creation. Last validation date will be visible and stored.*
- » Force Address validation on customer profile save – *In the case validation for customer is required but not valid, the validation will be forced.*
- » Return validation results in upper case – *validation results will return in upper case form.*

### Avalara Submissions / Transactions

- » Order-level - All items on order are calculated as one transaction
- » Line-level - Each line item in an order is calculated, displayed and transacted separately
- » Enable UPC Taxability – This will transmit Odoo’s product **ean13** number instead of its **Internal Reference**. If there is no **ean13** then the **Internal Reference** will be sent automatically.

### Countries

- » Add or remove applicable countries.  
**The calculator will not calculate for a Country unless it’s in the list.**

### Disable

- » Disable Avalara Tax Calculation and reporting  
(reporting to Avalara’s dashboard and tracking)
- » Disable Avalara Tax reporting only

The screenshot displays the Odoo AvaTax API configuration interface. The left sidebar shows the navigation menu with 'AvaTax API' selected. The main panel contains the following sections:

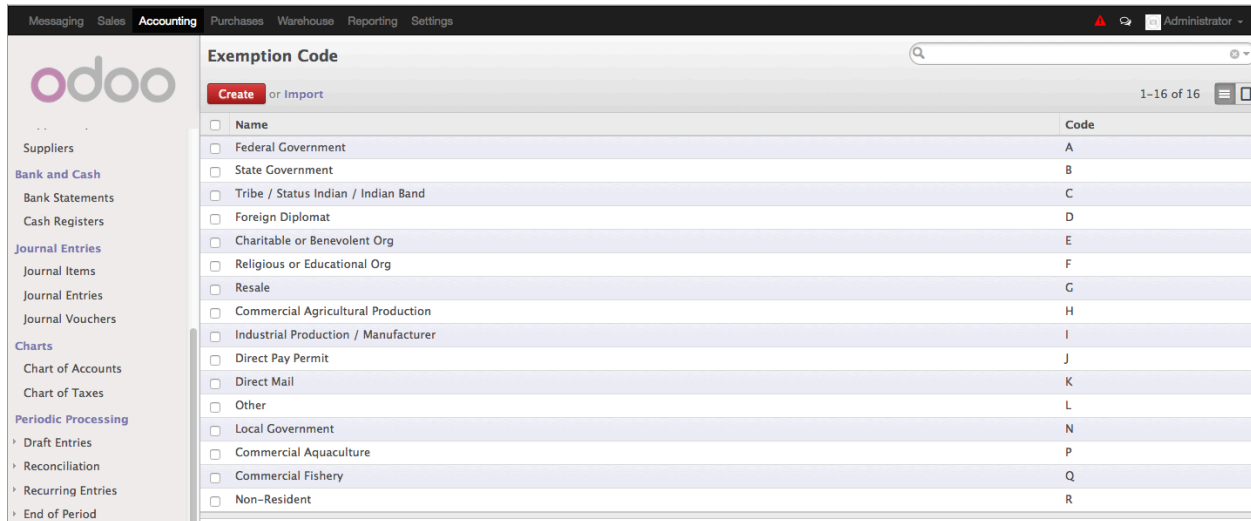
- Company Code:** KBTLLC
- Configuration / About AvaTax**
- Connection:** Account Number (110011007), Service URL (https://development.avalara.net), License Key (\*\*\*\*\*), Service Expiration Date (09/09/2015), and a Test Connection button.
- Adapter:** Request Timeout (2000), Enable Logging (checkbox).
- Address Validation:** Attempt automatic address validation (checkbox), Force validate on save for customer profile (checkbox), Return validation results in upper case (checkbox), and Automatically generate customer code (checkbox).
- Avalara Submissions / Transactions:** Order-level (checkbox), Line-level (checkbox), and Enable UPC Taxability (checkbox).
- Countries:** Countries Authorized to Process ISO code table with columns Country Name and Country Code. The table lists Canada (CA), France (FR), United Kingdom (GB), and United States (US).
- Disable:** Disable Avalara Tax Calculation and reporting (checkbox) and Disable Avalara Tax reporting only (checkbox).

## Configure Exemption Codes

Exemption codes are allowed for users where they may apply, e.g., Government entity.

Navigate to: **Accounting > Configuration > AvaTax > Exemption Code**

The module is installed with sixteen (16) predefined exemption codes **Add, remove and modify** exemption codes



The screenshot shows the Odoo Accounting Configuration - AvaTax Exemption Codes screen. The left sidebar contains the Odoo logo and a navigation menu with categories: Suppliers, Bank and Cash, Journal Entries, Charts, and Periodic Processing. The main content area is titled 'Exemption Code' and includes a search bar, a 'Create or Import' button, and a table listing 16 predefined exemption codes. The table has columns for 'Name' and 'Code'. The codes range from A (Federal Government) to R (Non-Resident).

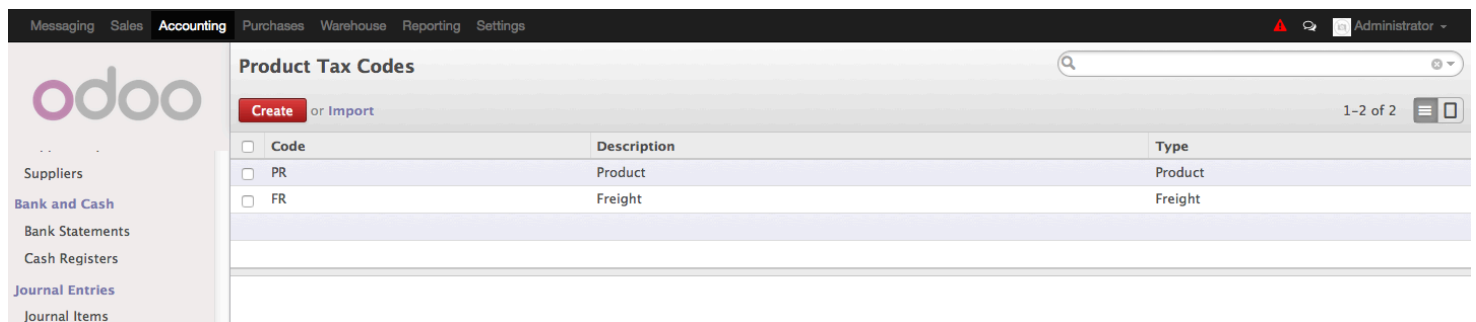
Name	Code
<input type="checkbox"/> Federal Government	A
<input type="checkbox"/> State Government	B
<input type="checkbox"/> Tribe / Status Indian / Indian Band	C
<input type="checkbox"/> Foreign Diplomat	D
<input type="checkbox"/> Charitable or Benevolent Org	E
<input type="checkbox"/> Religious or Educational Org	F
<input type="checkbox"/> Resale	G
<input type="checkbox"/> Commercial Agricultural Production	H
<input type="checkbox"/> Industrial Production / Manufacturer	I
<input type="checkbox"/> Direct Pay Permit	J
<input type="checkbox"/> Direct Mail	K
<input type="checkbox"/> Other	L
<input type="checkbox"/> Local Government	N
<input type="checkbox"/> Commercial Aquaculture	P
<input type="checkbox"/> Commercial Fishery	Q
<input type="checkbox"/> Non-Resident	R

## Product Tax Codes

Create product tax codes to assign to each product and/or product category.

Navigate to: **Accounting > Configuration > AvaTax > Product Tax Codes**

**Add, remove and modify** product tax codes



The screenshot shows the Odoo Accounting Configuration - AvaTax Product Tax Codes screen. The left sidebar contains the Odoo logo and a navigation menu with categories: Suppliers, Bank and Cash, Journal Entries, and Journal Items. The main content area is titled 'Product Tax Codes' and includes a search bar, a 'Create or Import' button, and a table listing 2 predefined product tax codes. The table has columns for 'Code', 'Description', and 'Type'. The codes are PR (Product) and FR (Freight).

Code	Description	Type
<input type="checkbox"/> PR	Product	Product
<input type="checkbox"/> FR	Freight	Freight

## Shipping Rate Configuration:

Configure shipping rates to apply to each transaction/product.

Navigate to: **Accounting > Configuration > AvaTax > Shipping Rate Configuration**

**Add, remove and modify** shipping methods and rates

Accounting

Shipping Rate Configuration

odoo

Suppliers

Bank and Cash

Bank Statements

Cash Registers

Journal Entries

Journal Items

Shipping Rate Configuration

Create or Import

1-1 of 1

Shipping Method Name	Active	Account
<input type="checkbox"/> Fedex	<input checked="" type="checkbox"/>	647000 Miscellaneous Expense

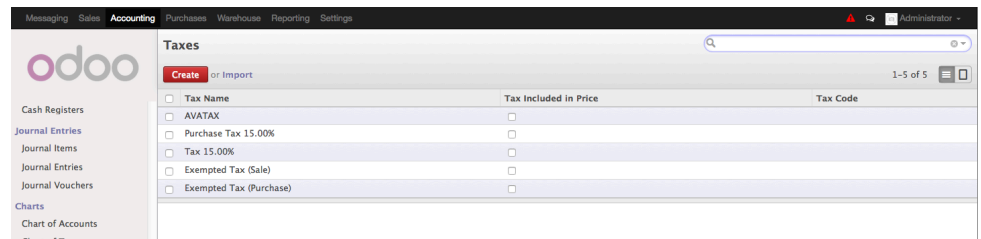
# Configure Taxes

The AvaTax module is integrated into the Taxes of Odoo. “AVATAX” is automatically added as a type of Taxes to be applied. You can configure how “AVATAX” integrates into the Odoo system.

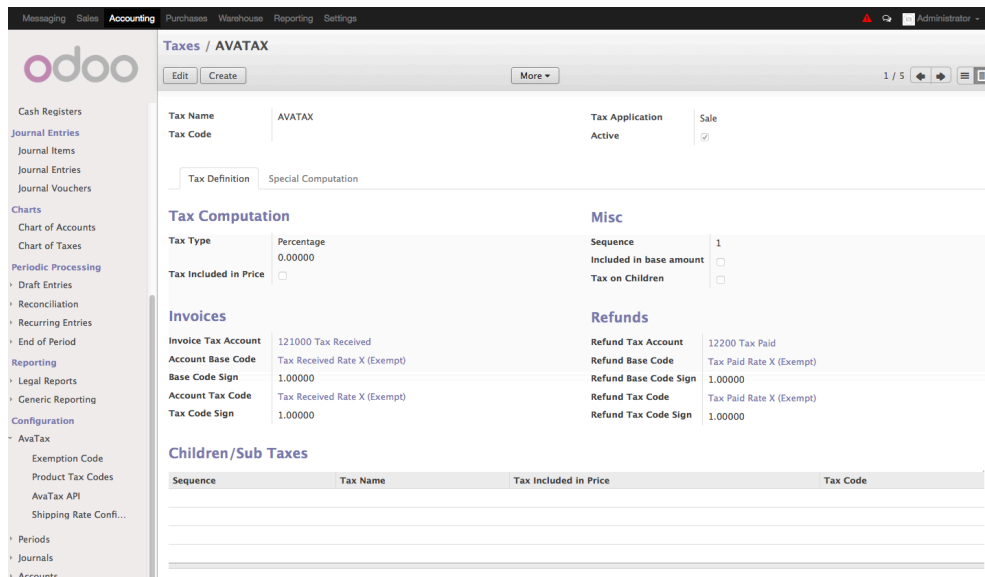
## Configure AVATAX Tax Type

Navigate to: **Accounting > Taxes > Taxes**

Select **AVATAX** from the list view (automatically added on module install)



Click the “**Edit**” button



Configure the **AVATAX** Tax Type with the proper tax account configuration for your system.  
Click the “**Save**” button

\* Upon initial install the settings will be blank. The above image shows an example configuration.

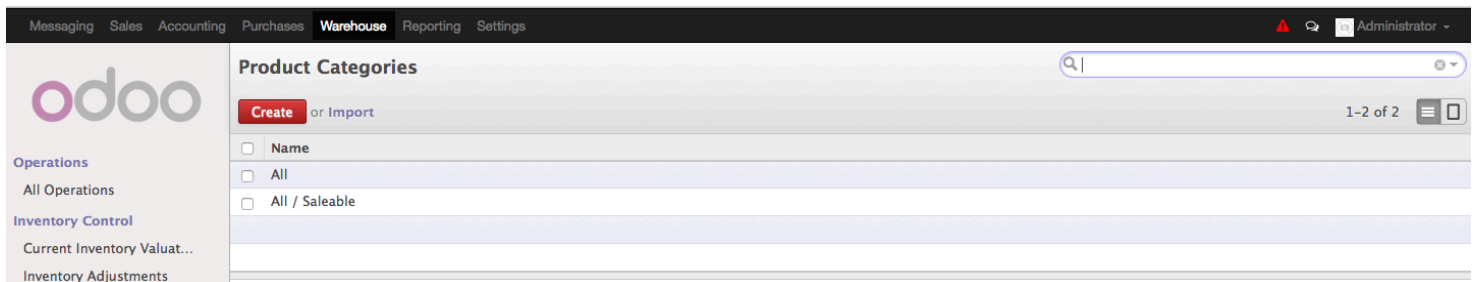
# Product Category Configuration

Odoo products are typically assigned to product categories. AvaTax settings can be assigned to the product category. The category default tax code will auto-populate when a product category is created

## Create New Product Category

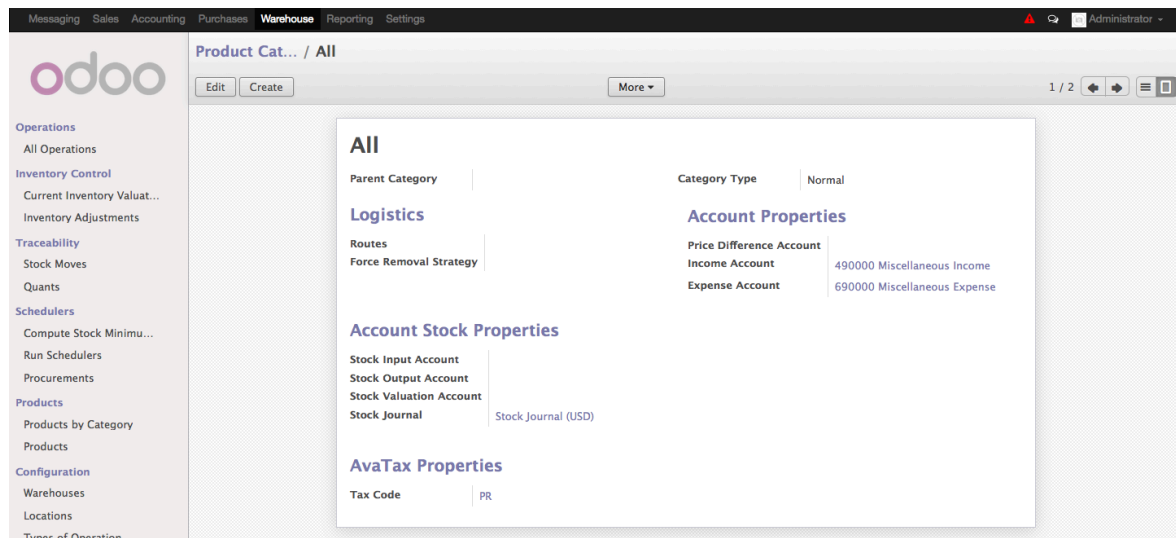
Navigate to: **Sales > Configuration > Products > Product Categories**

Click “**Create**” button



## Configure Product Category Tax Code

Under **AvaTax Properties > Tax Code**, Select the desired Tax Code



Click “**Save**” button



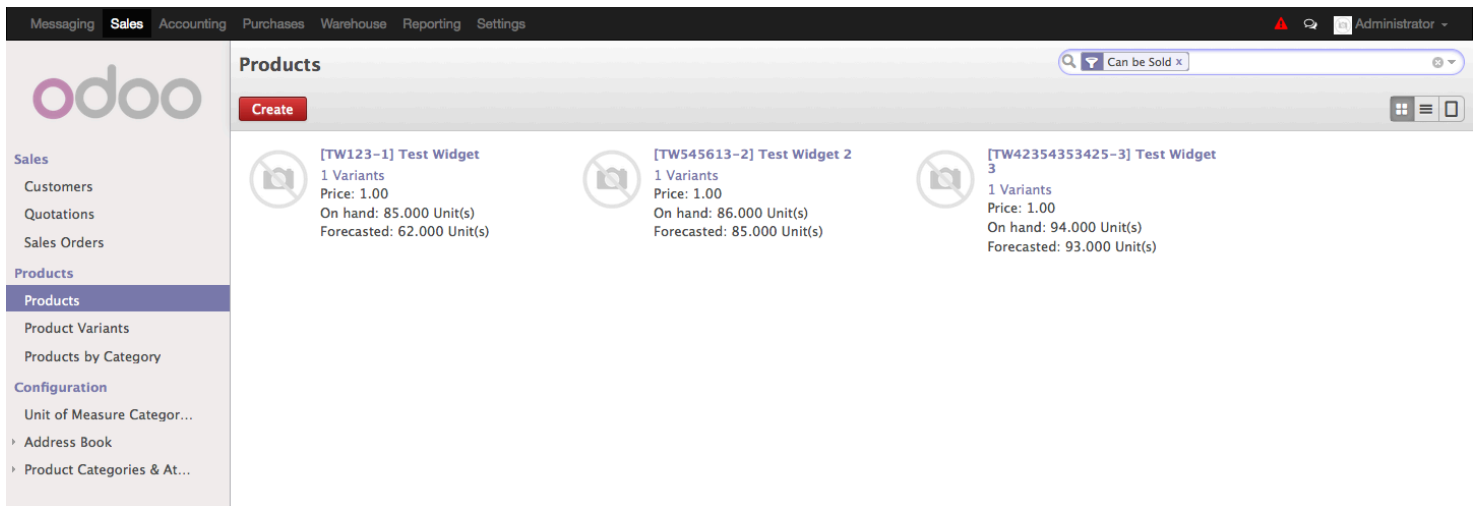
# Product Configuration

Individual products default to the tax code assigned to its product category, however you can change the tax codes if necessary. Tax calculations for a specific product can be disabled and will default to the product tax settings for the product category it belongs to.

## Create New Product

Navigate to: **Sales > Products > Products**

Click “**Create**” button



## Configure Product Tax Code

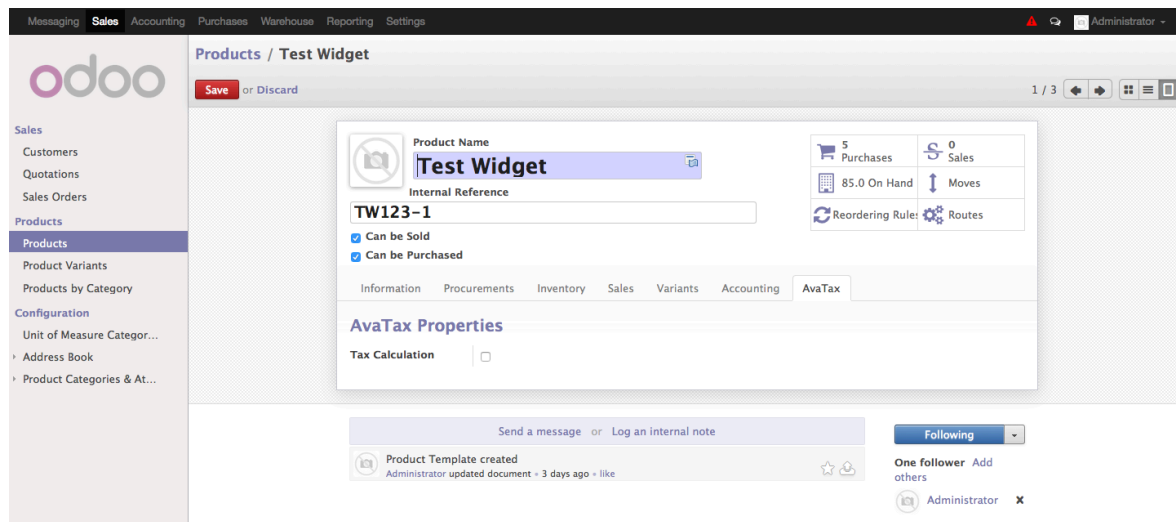
Under Category, select a Product Category

Under AvaTax Properties, the Tax Calculation check box is checked by default

If you wish to change the Tax Code defined by the Product Category, do so under

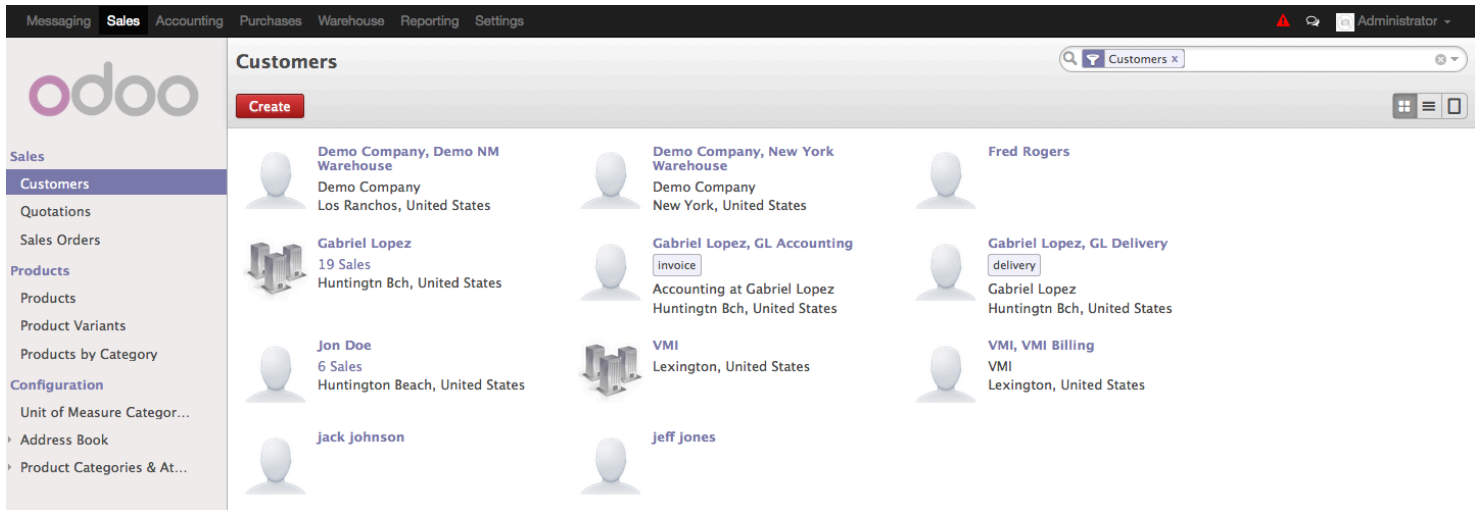
**AvaTax Properties > Tax Code**

Click “**Save**” button



# Customer Configuration

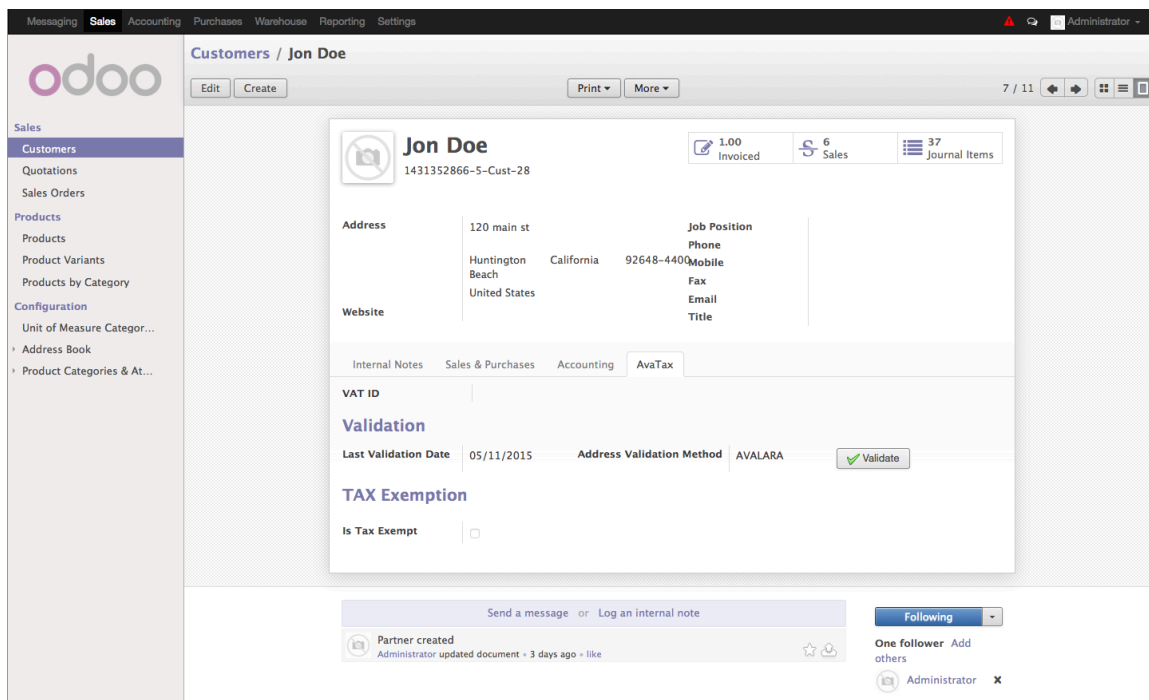
Properly configuring each customer ensures the correct tax is calculated and applied for all transactions.



## Create New Customer

Navigate to: **Sales > Customers**

Click **“Create”** button



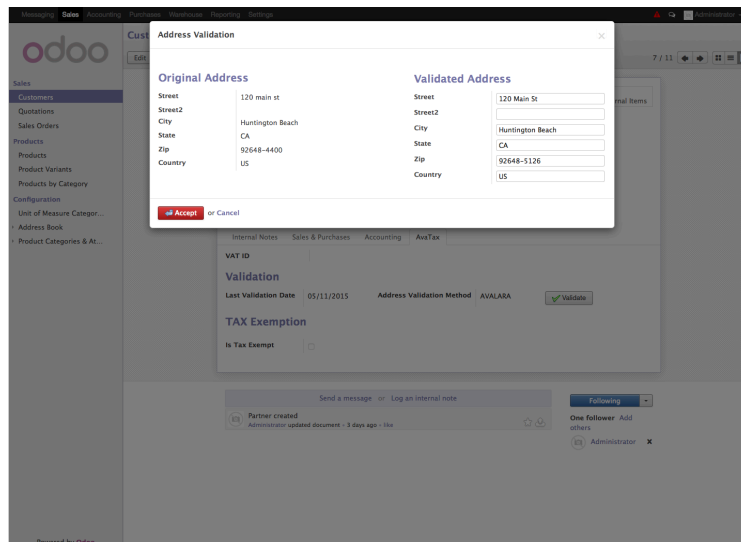
## Configure Customer Address

Enter Customer Address Select the AvaTax tab

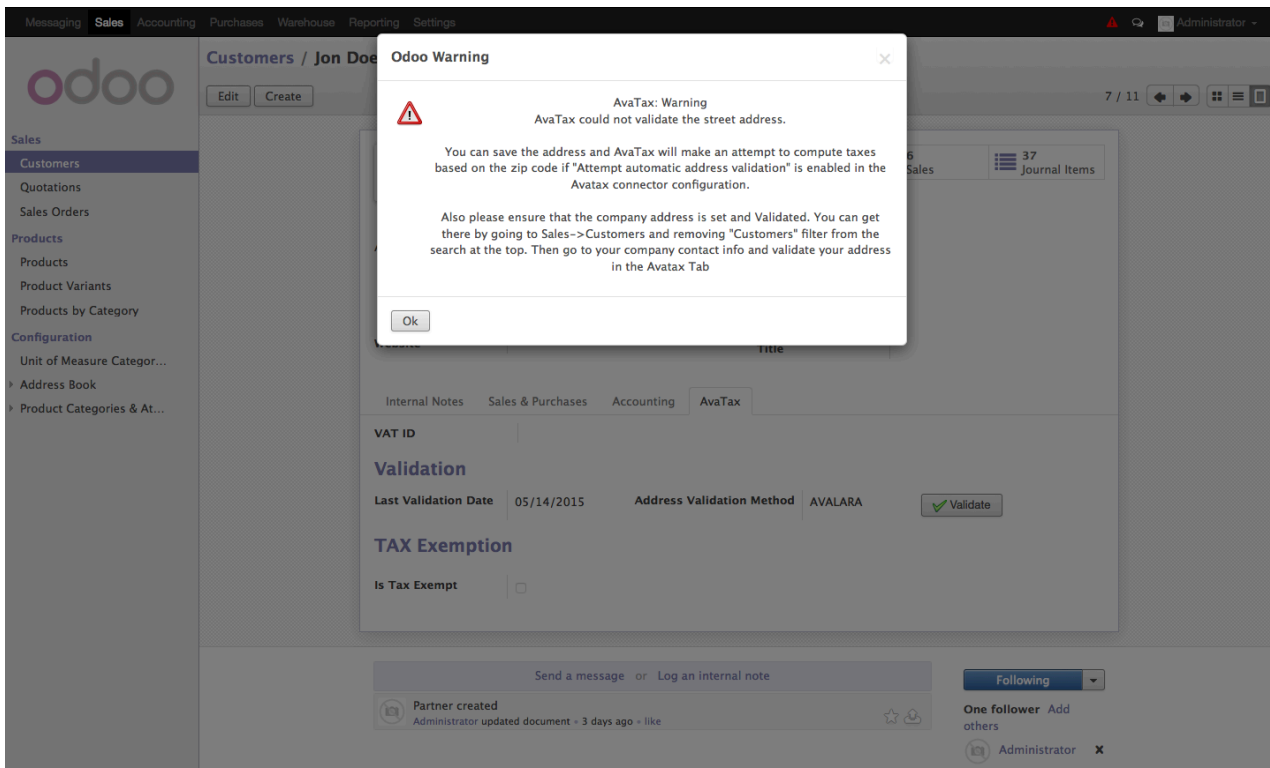
Click **“Validate”** button

## Address Validation

AvaTax Module will attempt to match the address you entered with a valid address in its database. Click the **“Accept”** button if the address is valid



If the address is not found in the AvaTax database you can still continue and use the address you entered by clicking **“OK”** on the warning dialog box



## Tax Exemption Status

If the customer is Tax Exempt, uncheck the box Under **Tax Exemption > Is Tax Exempt**  
Select the desired **Tax Exempt Code** from the dropdown menu

# Customer Invoices

The AvaTax module is integrated into Customer Invoices and is applied to each transaction. The Transaction log in the Avatax dashboard shows the invoice details and displays whether the transaction is an uncommitted or committed status. A validated invoice will show an “Uncommitted” and a paid Invoice will show a “Committed” status.

The module will check if there is a selected warehouse and will automatically determine the address of the warehouse and determine the origin location. If no address is assigned to the warehouse the module will automatically use the address of the company as its origin.

Discounts are handled when they are enabled in Odoo's settings. They will be reported as a net deduction on the line item cost.

## Create New Customer Invoice

Navigate to: **Accounting > Customers > Customer Invoices**

Click “**Create**” button

## Compute Taxes with AvaTax

Fill out the customer invoice as normal for Odoo

You will note that under Taxes you should see

“**AVATAX**” Click “**Compute Tax**”

The screenshot shows the Odoo Customer Invoice form. The left sidebar contains a navigation menu with categories like Customers, Suppliers, Bank and Cash, Journal Entries, Charts, Periodic Processing, Reporting, Configuration, and AvaTax. The main form area is titled "Customer I... / Invoice" and includes buttons for "Edit", "Create", "Print", and "More". Below these are buttons for "Validate", "Cancel Invoice", "Draft", "Open", and "Paid". The "Draft Invoice" section contains fields for Customer (Gabriel Lopez), Invoice Date (Sales Journal (USD)), Journal (120010 Account Receivable), Account (576441654984), Exemption Number ((D) Foreign Diplomat), Location code, and Warehouse. Below this is the "Avalara Tax on..." section with checkboxes for Default Address, Invoice Address, and Delivery Address. The "Invoice Lines" section is a table with columns: Product, Description, Account, Quantity, Avalara Tax, Unit Price, Taxes, and Amount. It contains two lines for "Test Widget". The "Avalara Shipping Lines" section is at the bottom with columns for Ship By, Ship Code, Avalara Tax, and Shipping Cost.

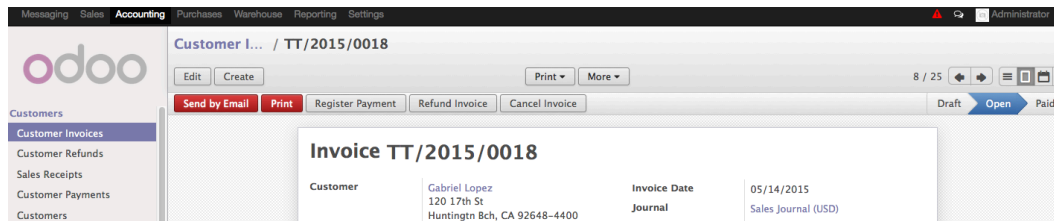
Product	Description	Account	Quantity	Avalara Tax	Unit Price	Taxes	Amount
[TW123-1] Test Widget	[TW123-1] Test Widget	479100 Sales	1.000	0.00	1.00	AVATAX	1.00
[TW42354353425-3] Test Widget 3	[TW42354353425-3] Test Widget 3	479100 Sales	1.000	0.00	1.00	AVATAX	1.00

## Validate Invoice

After the taxes have been computed click **“Validate”** button

## Register Payment

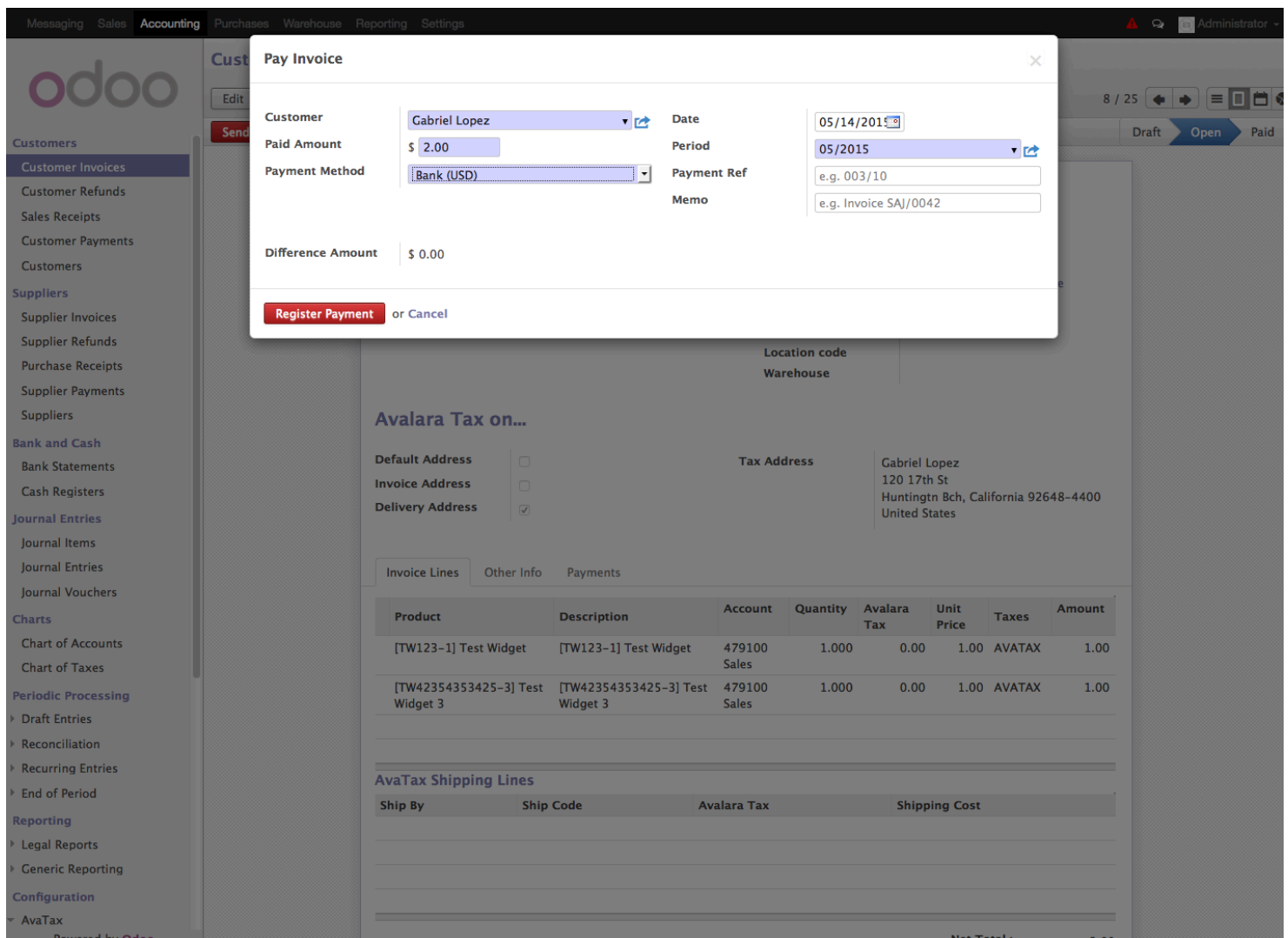
To complete the invoice click **“Register Payment”** button



The screenshot shows the Odoo interface for a Customer Invoice. The top navigation bar includes Messaging, Sales, Accounting, Purchases, Warehouse, Reporting, and Settings. The left sidebar lists various modules like Customers, Customer Invoices, and Sales Receipts. The main content area displays the invoice details for 'Customer I...' with the invoice number 'TT/2015/0018'. The customer is 'Gabriel Lopez' located at '120 17th St, Huntingtn Bch, CA 92648-4400'. The invoice date is '05/14/2015' and the journal is 'Sales Journal (USD)'. At the bottom, there are buttons for 'Send by Email', 'Print', 'Register Payment', 'Refund Invoice', and 'Cancel Invoice'. The 'Register Payment' button is highlighted.

Complete the Pay Invoice window

Click **“Pay”** button to finalize the Customer Invoice



The screenshot shows the 'Pay Invoice' window in Odoo. The window is titled 'Pay Invoice' and contains the following fields:

- Customer:** Gabriel Lopez
- Paid Amount:** \$ 2.00
- Payment Method:** Bank (USD)
- Date:** 05/14/2015
- Period:** 05/2015
- Payment Ref:** e.g. 003/10
- Memo:** e.g. Invoice SAJ/0042
- Difference Amount:** \$ 0.00

At the bottom of the window, there are two buttons: 'Register Payment' (highlighted in red) and 'Cancel'.

The background shows the Odoo interface with the 'Avalara Tax on...' section. It includes a table for 'Invoice Lines' with columns: Product, Description, Account, Quantity, Avalara Tax, Unit Price, Taxes, and Amount. The table has two rows of data.

Product	Description	Account	Quantity	Avalara Tax	Unit Price	Taxes	Amount
[TW123-1] Test Widget	[TW123-1] Test Widget	479100 Sales	1.000	0.00	1.00	AVATAX	1.00
[TW42354353425-3] Test Widget 3	[TW42354353425-3] Test Widget 3	479100 Sales	1.000	0.00	1.00	AVATAX	1.00

Below the table, there is a section for 'AvaTax Shipping Lines' with columns: Ship By, Ship Code, Avalara Tax, and Shipping Cost.

# Customer Refunds

Odoo applies refunds as opposed to voids in its accounting module. As with customer Invoices, the AvaTax module is integrated into Customer Refunds and is applied to each transaction. Refund Invoice transactions will be indicated with a negative total in the AvaTax interface.

## Initiate Customer Refund

Navigate to: **Accounting > Customers > Customer Invoices**

Select the invoice you wish to refund

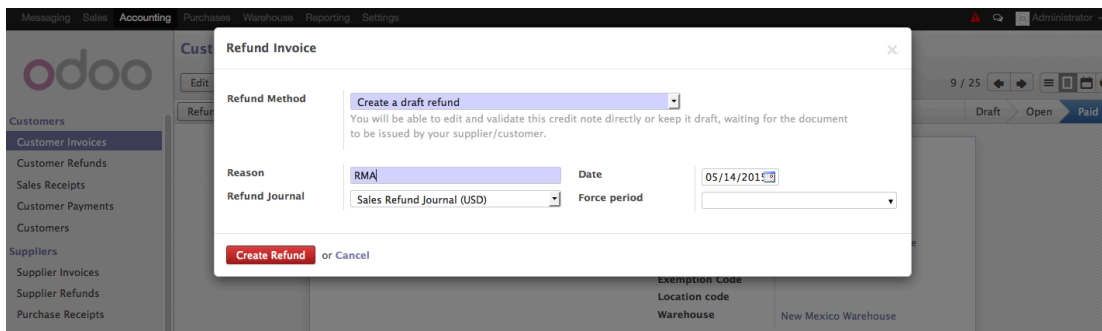
Click **“Refund Invoice”** button



## Create Refund Invoice

Under Refund Method select **“Create a draft refund”** from the dropdown

Click **“Create Refund”** button



You will be taken to the Customer Refunds list view

A screenshot of the 'Customer Refunds' list view in Odoo. The interface shows a table with columns: Customer, Invoice Date, Number, Responsible, Due Date, Source Document, Balance, Subtotal, Total, and Status. The table contains 7 rows of data. The top navigation bar and left sidebar are visible, with 'Accounting' and 'Customer Refunds' selected. A search bar and a 'Create or Import' button are at the top of the table. The status of each row is indicated in the 'Status' column.

Customer	Invoice Date	Number	Responsible	Due Date	Source Document	Balance	Subtotal	Total	Status
<input type="checkbox"/> Gabriel Lopez	05/11/2015		Administrator	05/11/2015	TT/2015/0014	0.00	1.00	1.00	Draft
<input type="checkbox"/> Gabriel Lopez	05/11/2015		Administrator	05/11/2015	TT/2015/0007	0.00	1.00	1.00	Draft
<input type="checkbox"/> Jon Doe	05/11/2015		Administrator	05/11/2015	TT/2015/0006	0.00	1.00	1.08	Draft
<input type="checkbox"/> Gabriel Lopez	05/11/2015	TT/2015/0010	Administrator	05/11/2015	SAJ/2015/0002	1.00	1.00	1.00	Open
<input type="checkbox"/> Jon Doe	05/11/2015	TT/2015/0009	Administrator	05/11/2015	TT/2015/0017	0.00	2.00	2.16	Paid
<input type="checkbox"/> Jon Doe	05/11/2015	TT/2015/0008	Administrator	05/11/2015	TT/2015/0016	0.00	1.00	1.08	Paid

## Validate Refund

Select the Customer Refund you wish to refund  
Review the Draft Refund and click “**Validate**” button

**Refund TT/2015/0011**

**Customer** Gabriel Lopez  
120 17th St  
Huntingtn Bch, CA 92648-4400  
United States

**Fiscal Position**

**Invoice Date** 05/11/2015  
**Journal** Sales Refund Journal (USD)  
**Account** 120010 Account Receivable  
**Exemption Number** 576441654984  
**Exemption Code** (D) Foreign Diplomat  
**Location code**  
**Warehouse** Demo Company

**Avalara Tax on...**

**Default Address** ☐  
**Invoice Address** ☐  
**Delivery Address** ☒

**Tax Address** Gabriel Lopez  
120 17th St  
Huntingtn Bch, California 92648-4400  
United States

**Invoice Lines** Other Info Payments

Product	Description	Account	Quantity	Avalara Tax	Unit Price	Taxes	Amount
[TW123-1] Test Widget	[TW123-1] Test Widget	479100 Sales	1.000	0.00	1.00	AVATAX	1.00

**AvaTax Shipping Lines**

Ship By	Ship Code	Avalara Tax	Shipping Cost
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## Register Refund Payment

Click “**Register Payment**” button to complete refund

**Refund TT/2015/0011**

**Register Payment**

Complete the Pay Refund window  
Click “**Pay**” button to finalize the Customer Refund

**Pay Invoice**

**Customer** Gabriel Lopez  
**Paid Amount** \$ 2.00  
**Payment Method** Bank (USD)  
**Difference Amount** \$ 0.00

**Date** 05/14/2015  
**Period** 05/2015  
**Payment Ref** e.g. 003/10  
**Memo** e.g. Invoice SAJ/0042

**Register Payment** or Cancel



# Sales Orders

The AvaTax module is integrated into Sales Orders and allows computation of taxes. Sales Order transactions do not appear in the in the AvaTax interface.

The module will check if there is a selected warehouse and will automatically determine the address of the warehouse and determine the origin location. If no address is assigned to the warehouse the module will automatically use the address of the company as its origin.

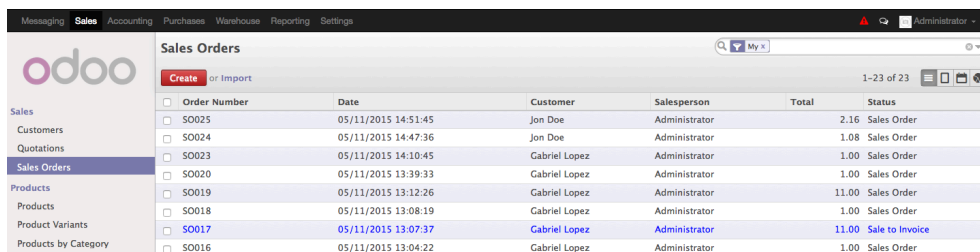
The information placed in the sales order will automatically pass this information to the Invoice where the report the tax calculation to the Avalara servers and can be viewed in the AvaTax control panel.

Discounts are handled when they are enabled in Odoo's settings. They will be reported as a net deduction on the line item cost.

## Create New Sales Order

Navigate to: **Sales > Sales > Sales Orders**

Click **“Create”** button



The screenshot shows the Odoo Sales Orders interface. On the left is a sidebar with navigation links: Sales, Customers, Quotations, Sales Orders (highlighted), Products, Product Variants, and Products by Category. The main area displays a table of sales orders with columns: Order Number, Date, Customer, Salesperson, Total, and Status. The table lists several orders, with the last one, SO017, highlighted in blue and labeled 'Sale to Invoice'.

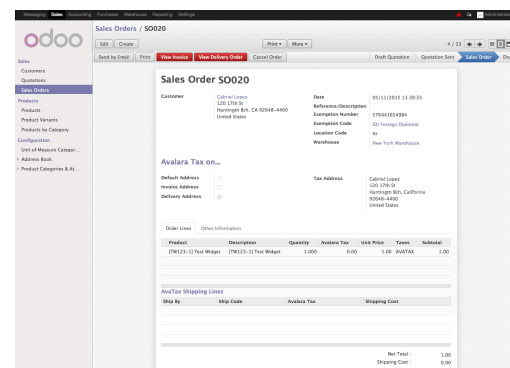
Order Number	Date	Customer	Salesperson	Total	Status
SO025	05/11/2015 14:51:45	Jon Doe	Administrator	2.16	Sales Order
SO024	05/11/2015 14:47:36	Jon Doe	Administrator	1.08	Sales Order
SO023	05/11/2015 14:10:45	Gabriel Lopez	Administrator	1.00	Sales Order
SO020	05/11/2015 13:39:33	Gabriel Lopez	Administrator	1.00	Sales Order
SO019	05/11/2015 13:12:26	Gabriel Lopez	Administrator	11.00	Sales Order
SO018	05/11/2015 13:08:19	Gabriel Lopez	Administrator	1.00	Sales Order
SO017	05/11/2015 13:07:37	Gabriel Lopez	Administrator	11.00	Sale to Invoice
SO016	05/11/2015 13:04:22	Gabriel Lopez	Administrator	1.00	Sales Order

## Compute Taxes with AvaTax

The module will be calculated when the sales order is confirmed. At this step the sales order will only retrieve the tax amount from Avalara but will not report the transaction to the AvaTax dashboard. Only Invoice, Refund and pay activity are reported to the dashboard.

The module will check if there is a selected warehouse and will automatically determine the address of the warehouse and determine the origin location. If no address is assigned to the warehouse the module will automatically use the address of the company as its origin.

Location code will automatically populate with the warehouse code but can be modified.



The screenshot shows the Odoo Sales Order form for SO020. The form includes sections for Customer, Tax Address, and Product. The Customer section shows details for Gabriel Lopez. The Tax Address section shows details for the warehouse. The Product section shows a table with columns: Product, Quantity, Avalara Tax, and Taxes. The table lists a product 'TPW123-12 Test Widget' with a quantity of 1.000 and a tax of 0.00. The bottom of the form shows a summary of the order, including the Net Total, Shipping Cost, and Taxes.

Product	Quantity	Avalara Tax	Taxes
TPW123-12 Test Widget	1.000	0.00	0.00

Net Total	Shipping Cost	Taxes
1.00	0.00	0.00